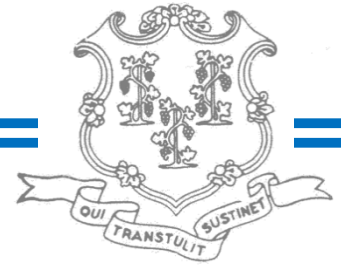


Connecticut Health Insurance Exchange

Basic Health Program Working Group

Exchange Vision



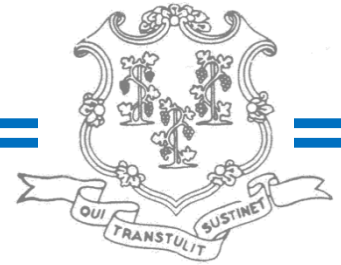
Both the Exchange and the BHP share the common mission of increasing the number of insured, improving health care quality, lowering costs and reducing health disparities in Connecticut

The Connecticut Health Exchange supports health reform efforts at the state and national level that provide Connecticut residents with better health, and an enhanced and more coordinated health care experience at a reasonable, predictable cost.

Through the creation of the exchanges and making available of extensive subsidies to low- and moderate-income Americans to purchase coverage through the exchanges, the ACA aims to create a better, simpler, more universal healthcare system.

By introducing constructive competition, efficiencies of scale, and market transparency, an exchange will reward insurers that effectively innovate and will empower consumers to choose the health plan and providers that give them the best value.

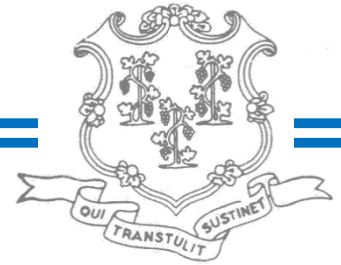
Exchange Vision



Objectives of the Exchange

1. Reduce the number of uninsured in Connecticut
2. Create an easy and simple consumer experience for shopping and comparison of insurance options
3. Promote innovation and new options for benefit coverage in the State
4. Provide empathetic and responsive customer service
5. Work with our brokers, and navigators to provide more affordable products and broad distribution support
6. Launch a substantive and targeted communications and outreach campaign that promotes awareness of health reform and new options for consumers and small businesses in the Connecticut

Implications of the BHP on Exchange



Impact of the BHP on the Exchange:

- The BHP would remove those not offered employer-sponsored coverage from the private insurance market and require them to enroll in a Medicaid-like program
- The Exchange estimates it would lose approximately 45,000 enrollees in 2014; reducing the Exchange's total enrollment by over a third to fewer than 80,000
- This significant reduction in likely enrollees will lower the attractiveness of carrier participation and diminish the consumer's experience
 - The Exchange is hoping to attract new carrier entrants into the Connecticut marketplace (e.g. the Co-Op and other non-profit payers), but reducing the number of enrollees will increase the likelihood of financial insolvency with respect to their exchange operations
- The BHP would not affect the risk mix in the Exchange
- The low provider reimbursement rates in the BHP could lead to increased cost shifting on to the commercial market.
- An increased number of individuals would experience churning between private coverage and the Connecticut's various public programs